
OLR Bill Analysis

sHB 5348

AN ACT CONCERNING THE PAYMENT OF DELINQUENT PROPERTY TAXES.

SUMMARY:

This bill allows taxpayers to direct the manner in which tax collectors apply a property tax payment.

Current law requires tax collectors to apply tax payments first to outstanding unsecured taxes (personal property taxes) and then to outstanding secured taxes (real property taxes). For both types of taxes, the payments apply:

1. first to expenses, including attorney's fees, collection expenses, recording fees, collector's fees, and other expenses and charges related to a taxpayer's delinquency;
2. next to accrued interest; and
3. lastly, to principal, in chronological order (i.e., paying the oldest tax first).

The bill allows taxpayers, when making a property tax payment, to direct the manner in which tax collectors apply it to outstanding secured and unsecured taxes, fees, and expenses, including directing the payment to a specific property. By law, unchanged by the bill, the municipality is not bound by any notation accompanying a tax payment that (1) purports to be payment in full, (2) proposes to waive any of the municipality's rights or powers, or (3) directs the application of the payment in any manner that contradicts applicable law.

EFFECTIVE DATE: October 1, 2014

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/25/2014)